

ASSEMBLY BILL

No. 1321

Introduced by Assembly Member Yee

February 22, 2005

An act to add Section 1379.1 to the Health and Safety Code, relating to health care service plans.

LEGISLATIVE COUNSEL'S DIGEST

AB 1321, as introduced, Yee. Hospital-based physicians: charges.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a violation of the act a crime. The act requires that a provider contracting with a plan agree that he or she will not collect or attempt to collect from a subscriber or enrollee any sums owed by the plan for services that the provider rendered.

This bill would prohibit a hospital-based physician, as defined, from seeking payment from an enrollee for services he or she rendered and would require that physician to seek reimbursement solely from the enrollee's health care service plan or its contracting medical group.

Because the bill would specify an additional requirement under the act, a violation of which is a crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1379.1 is added to the Health and Safety
2 Code, to read:
3 1379.1. (a) A hospital-based physician who provides services
4 at a general acute care hospital that contracts with a health care
5 service plan shall seek reimbursement for medically necessary
6 covered services provided to an enrollee of that plan solely from
7 the plan or its contracting medical group, and shall not seek
8 payment from the enrollee for those covered services, except for
9 copayments and deductibles authorized by the plan contract. For
10 purposes of this section, a “hospital-based physician” means an
11 anesthesiologist, radiologist, pathologist, or emergency room
12 physician.
13 (b) An enrollee may report any charges by a hospital-based
14 physician made in violation of this section to the health care
15 service plan and the department. A health care service plan that
16 becomes aware that its enrollee has been assessed a charge in
17 violation of this section may report that violation to the
18 department. The department may forward the report to the
19 Medical Board of California.
20 SEC. 2. No reimbursement is required by this act pursuant to
21 Section 6 of Article XIII B of the California Constitution because
22 the only costs that may be incurred by a local agency or school
23 district will be incurred because this act creates a new crime or
24 infraction, eliminates a crime or infraction, or changes the
25 penalty for a crime or infraction, within the meaning of Section
26 17556 of the Government Code, or changes the definition of a
27 crime within the meaning of Section 6 of Article XIII B of the
28 California Constitution.

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